

## REPORTS ANALYSIS REFERRAL

DATE: October 27, 2004

ANALYST: Alan Shook

I. COMMITTEE: Sandy Lyons for Congress  
C00394833  
Melissa B. Jordan, Treasurer  
Post Office Box 908  
Hickory, NC 28601

II. RELEVANT STATUTE: 2 U.S.C. §441a-1(b)  
11 CFR §400.9 (b)  
11 CFR §400.21 (b)

III. BACKGROUND:

Failure to timely file 24-Hour Notice of Expenditure from Candidate's Personal Funds (FEC FORM 10)

Sandy Lyons for Congress ("the Committee") failed to timely file one, FEC FORM 10 after exceeding the \$350,000 reporting threshold for expenditures from the candidate's personal funds for the 2004 Primary Election. See enclosed spreadsheet and specific expenditure in bold for further detail (Attachment 2).

On April 13, 2004, the Committee filed the 2004 April Quarterly Report (Microfilm #24990967059). This report disclosed three contributions received from Sanford David Lyons ("the Candidate") totaling \$210,000, all of which were designated to the 2004 Primary Election. The Committee received a \$1,000 contribution on January 6, 2004, a \$100,000 contribution on March 31, 2004, and two contributions of \$100,000 and \$109,000 on March 31, 2004.

On July 7, 2004, the Committee filed the 2004 12 Day Pre-Primary Report (Microfilm #24961724559). This report disclosed two contributions received from the Candidate totaling \$135,000, both of which were designated to the 2004 Primary Election. The Committee received a \$75,000 contribution on June 18, 2004 and a \$60,000 contribution on June 30, 2004. These contributions brought the total expenditures from the Candidate's personal funds for the 2004 Primary Election to \$345,000.

On July 14, 2004, the Committee filed an FEC FORM 10 (Microfilm #

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24038444957). The FEC FORM 10 disclosed \$100,000 in expenditures from the Candidate's personal funds on July 8, 2004 for the 2004 Primary Election and a total of \$445,000 for the 2004 Primary election cycle, thereby exceeding the reporting threshold of \$350,000 for principal campaign committees of candidates for the House of Representatives. Thus, the FEC FORM 10 was filed four days late<sup>1</sup>.

On August 3, 2004, a Request for Additional Information (RFAI) was sent by RAD to the Committee referencing the \$100,000 24-hour Notice of Expenditure from Candidate's Personal Funds, dated July 9, 2004 (Microfilm #24038490291). The RFAI noted that the Committee appeared to have filed the FEC FORM 10 received July 14, 2004 more than twenty-four hours after the disclosed expenditure from the Candidate's personal funds.

On August 10, 2004 a RAD Analyst was telephoned by Melissa Jordan, the Committee's Treasurer, in response to the RFAI sent on August 3, 2004. Ms. Jordan wanted to know what she was required to do in response to the RFAI, considering the fact that she had already filed the FEC FORM 10. She explained to the Analyst that it was merely an oversight on her part that the FEC FORM 10 had not been filed in a timely fashion. The Analyst requested that Ms. Jordan file an electronic memo in order to publicly provide this explanation (Attachment 3). Ms. Jordan indicated that she would do so though to date no explanation has been provided by the Committee regarding the late filing of the FEC FORM 10.

On October 4, 2004, the Committee filed a 2004 October Quarterly Report (Microfilm #24962377034). This report disclosed two contributions received from the Candidate totaling \$104,000, both of which were designated to the 2004 Primary Election. The Committee received a \$100,000 contribution on July 9, 2004 and a \$4,000 contribution on August 31, 2004. These contributions brought the total expenditures from the Candidate's personal funds for the 2004 Primary Election to \$449,000.

To date, no further communications have been received from the Committee regarding this matter.

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<sup>1</sup> Please note that the 2004 October Quarterly Report filed on October 4, 2004 disclosed the receipt date for the \$100,000 contribution as July 9, 2004. This receipt date, rather than the receipt date reported on the FEC FORM 10, was used in computing the number of days late.



LYONS, SANFORD DAVID

ID #H4NC10062

SANDY LYONS FOR CONGRESS  
MELISSA B JORDAN  
FILING FREQUENCY: QUARTERLY

PO BOX 908

HICKORY

HOUSE  
NC 28601

ID #C00394833

| FORM TYPE | RPT TYPE | AI | PGI | REC DATE   | PGS | BEG IMAGE   | COVERAGE DATES      | BEG CASH | RECEIPTS | DISBURSE | END CASH | DEBTS BY |
|-----------|----------|----|-----|------------|-----|-------------|---------------------|----------|----------|----------|----------|----------|
| 1         |          | N  |     | 1/20/2004  | 5   | 24038271275 |                     |          |          |          |          |          |
| 1         |          | A  |     | 2/23/2004  | 5   | 24038323584 |                     |          |          |          |          |          |
| MS        |          | Y  |     | 5/27/2004  | 3   | 24038421459 |                     |          |          |          |          |          |
| MS        |          | 4  |     | 7/06/2004  | 2   | 24961722003 |                     |          |          |          |          |          |
| MS        |          | 4  |     | 7/07/2004  | 2   | 24971311072 |                     |          |          |          |          |          |
| MS        |          | 4  |     | 7/08/2004  | 2   | 24961734048 |                     |          |          |          |          |          |
| MS        |          | X  |     | 7/14/2004  | 2   | 24038444957 |                     |          |          |          |          |          |
| MS        |          | 4  |     | 7/14/2004  | 2   | 24971320591 |                     |          |          |          |          |          |
| MS        |          | 4  |     | 7/14/2004  | 2   | 24961797708 |                     |          |          |          |          |          |
| MS        |          | 4  |     | 7/15/2004  | 2   | 24981249488 |                     |          |          |          |          |          |
| MS        |          | 4  |     | 7/16/2004  | 2   | 24961876383 |                     |          |          |          |          |          |
| RQ        |          | 1  |     | 2/10/2004  | 3   | 24038314897 | 2/10/2004           |          |          |          |          |          |
| RQ        |          | 4  |     | 8/03/2004  | 3   | 24038490291 | 8/03/2004           |          |          |          |          |          |
| RQ        | 12P      | 2  |     | 8/10/2004  | 5   | 24038493499 | 4/01/2004 6/30/2004 |          |          |          |          |          |
| 3         | Q1       | N  |     | 4/13/2004  | 73  | 24990967059 | 1/01/2004 3/31/2004 | 0        | 409711   | 139150   | 270561   | 0        |
| 3         | 12P      | N  | P   | 7/07/2004  | 67  | 24961724559 | 4/01/2004 6/30/2004 | 270561   | 247156   | 375755   | 141962   | 0        |
| 3         | 12P      | A  | P   | 8/19/2004  | 67  | 24962134592 | 4/01/2004 6/30/2004 | 270561   | 247156   | 375755   | 141962   | 0        |
| 3         | Q3       | N  |     | 10/04/2004 | 38  | 24962377034 | 7/01/2004 9/30/2004 | 141962   | 141237   | 282653   | 546      | 0        |
| TOTAL     |          |    |     |            |     |             |                     |          |          | 798104   | 797558   |          |

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Sandy Lyons for Congress (C00394833)  
Candidate Expenditures from Personal Funds

| EXPENDITURE<br>AMOUNT | TYPE         | RECEIPT<br>DATE<br>LISTED ON<br>REPORT | REPORT<br>DISCLOSED<br>ON | AGGREGATE TOTAL FOR<br>PRIMARY ELECTION | FORM 10<br>FILED? | DATE FORM<br>10 FILED | # DAYS<br>LATE |
|-----------------------|--------------|--|---------------------------|---|-------------------|-----------------------|----------------|
| \$ 1,000.00           | Contribution | 1/6/04                                 | Q1 2004                   | \$ 1,000.00                             | N/A               | N/A                   | N/A            |
| \$ 100,000.00         | Contribution | 3/31/04                                | Q1 2004                   | \$ 101,000.00                           | N/A               | N/A                   | N/A            |
| \$ 109,000.00         | Contribution | 3/31/04                                | Q1 2004                   | \$ 210,000.00                           | N/A               | N/A                   | N/A            |
| \$ 75,000.00          | Contribution | 6/18/04                                | 12P 2004                  | \$ 285,000.00                           | N/A               | N/A                   | N/A            |
| \$ 60,000.00          | Contribution | 6/30/04                                | 12P 2004                  | \$ 345,000.00                           | N/A               | N/A                   | N/A            |
| \$ 100,000.00         | Contribution | 7/9/04                                 | Q3 2004                   | \$ 445,000.00                           | Y                 | 7/14/04               | 4              |
| \$ 4,000.00           | Contribution | 8/1/04                                 | Q3 2004                   | \$ 449,000.00                           | N/A               | N/A                   | N/A            |